## State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach, Division Director
Oil Conservation Division



Administrative Order DHC-4645-A Order Date: October 2, 2015

Application Reference Number: pMAM1527158958

Apache Corporation 303 Veterans Airpark Lane, Suite 3000 Midland, Tx 79705

Attention: Ms. Reesa Fisher

Hawk Federal A-5 Well No. 3

API No. 30-025-37380

Unit O, Section 5, Township 21 South, Range 37 East NMPM

Lea County, New Mexico

Pool Names:

BLINEBRY OIL AND GAS (OIL)

DRINKARD

WANTZ; ABO

TUBB OIL AND GAS (OIL)

Oil (6660)

Oil (19190)

Oil (62700)

Oil (60240)

Reference is made to your recent application for an exception to Division Rule 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appears that the subject well qualifies for approval for such exception pursuant to the provisions of Division Rule 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division Rule 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of oil and gas production from the subject well for the Blinebry Oil and Gas (Oil) Pool, Drinkard Pool, and Tubb Oil and Gas (Oil) Pool shall be based on the decline curve analysis of production of the subject well. Further, the Blinebry Oil and Gas (Oil) Pool, Drinkard Pool, and Tubb Oil and Gas (Oil) Pool allocation

percentages were based on DHC-0138 HOB, approved on March 3, 2006. The assignment of allowable and allocation of oil and gas production from the subject well for the Wantz; Abo Pool shall be based on the analysis of the historical production from surrounding wells in the same pool.

Assignment of allowable and allocation of production from the well shall be as follows:

BLINEBRY OIL AND GAS (OIL) POOL	Pct. Oil: 16	Pct. Gas: 30
TUBB OIL AND GAS (OIL) POOL	Pct. Oil: 19	Pct. Gas: 6
DRINKARD POOL	Pct. Oil: 15	Pct. Gas: 0
WANTZ; ABO POOL	Pct. Oil: 50	Pct. Gas: 64

It is also understood that notice of this application, pursuant to Division Rule 19.15.4.12A.(6), is not required since the interest ownership between the zones to be commingled is common throughout.

REMARKS: The operator shall notify the Division's District I office upon implementation of commingling operations.

This Order supersedes Division Order DHC-4645, issued on November 4, 2013.

Pursuant to Division Rule 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

David R. Catanach

Director

DRC/mam

cc: New Mexico Oil Conservation Division – Hobbs

Bureau of Land Management - Carlsbad